

No. 18498

**FEDERAL REPUBLIC OF GERMANY
and
KENYA**

Agreement concerning financial assistance. Signed at Nairobi on 24 October 1978

Authentic texts: German and English.

Registered by the Federal Republic of Germany on 14 April 1980.

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
KENYA**

Accord d'aide financière. Signé à Nairobi le 24 octobre 1978

Textes authentiques : allemand et anglais.

Enregistré par la République fédérale d'Allemagne le 14 avril 1980

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE REPUBLIC OF KENYA AND THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY CONCERNING FINANCIAL ASSISTANCE

The Government of the Republic of Kenya and the Government of the Federal Republic of Germany,

In the spirit of the friendly relations existing between the Republic of Kenya and the Federal Republic of Germany,

Desiring to strengthen and intensify those friendly relations by fruitful co-operation in the field of development assistance,

Aware that the maintenance of those relations constitutes the basis of the present Agreement,

Intending to contribute to economic and social development in the Republic of Kenya,

Have agreed as follows:

Article 1. The Government of the Federal Republic of Germany shall enable the Government of the Republic of Kenya to raise with the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, a loan up to DM 25,000,000 (twenty-five million Deutsche Mark) to meet foreign exchange costs resulting from the purchase of goods and services to cover current civilian requirements. These supplies and services must be such as are covered by supply or service contracts which have been concluded after 1 January 1978.

Article 2. The utilization of the loan as well as the terms and conditions on which it is granted shall be governed by the provisions of the agreements to be concluded between the borrower and the Kreditanstalt für Wiederaufbau, which shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

Article 3. The Government of the Republic of Kenya shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other public charges levied in the Republic of Kenya at the time of the conclusion, or during the implementation, of the agreements referred to in article 2 of the present Agreement.

Article 4. The Government of the Republic of Kenya shall allow passengers and suppliers free choice of transport enterprises for such transportation by sea or air of persons and goods as results from the granting of the loan, abstain from taking any measures that might exclude or impair the participation on equal terms of transport enterprises having their place of business in the German area of application of the present Agreement, and grant permits for the participation of such enterprises as required.

Article 5. With regard to supplies and services resulting from the granting of the loan, the Government of the Federal Republic of Germany attaches particular importance to preferential use being made of the economic potential of Land Berlin.

¹ Came into force on 24 October 1978 by signature, in accordance with article 7.

Article 6. With the exception of those provisions of article 4 which refer to air transport, this Agreement shall also apply to Land Berlin, provided that the Government of the Federal Republic of Germany does not make a contrary declaration to the Government of the Republic of Kenya within three months of the date of entry into force of this Agreement.

Article 7. The present Agreement shall enter into force on the date of signature thereof.

DONE at Nairobi on 24.10.78 in duplicate in the English and German languages, both texts being equally authentic.

For the Government
of the Republic of Kenya:

[*Signed — Signé*]¹

For the Government
of the Federal Republic of Germany:

[*Signed — Signé*]²

¹ Signed by Mwai Kibaki — Signé par Mwai Kibaki.

² Signed by Heimsoeth — Signé par Heimsoeth.